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Office accommodation at the Palais Wilson

Report of the Secretary-General

SUMMARY

In his report of 14 November 1997 (A/C.5/52/19), the Secretary-General apprised the General Assembly of the offer by the Swiss authorities of the accommodation known as Palais Wilson. Following consideration of the matter at the fifty-second regular session, the Advisory Committee on Administrative and Budgetary Questions and the General Assembly were of the view that there were many elements of the offer which remained to be completed.

The present report provides further information and clarification on the issues raised.

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I. Introduction

1. In his report of 14 November 1997 (A/C.5/52/19), the Secretary-General sought the concurrence of the General Assembly for the acceptance of the proposal of the Swiss Federal Council to place at the disposal of the United Nations accommodation know as the "Palais Wilson".

2. In its report on office accommodation at the Palais Wilson of 8 December 1997 (A/52/7/Add.4), the Advisory Committee on Administrative and Budgetary Questions raised a number of questions. In paragraph 12 of that report, the Committee recommended that the General Assembly take note of the report and, bearing in mind the needs of the Organization and cost effectiveness, encouraged the Secretary-General to continue his negotiations with the Swiss authorities with regard to the offer of the Palais Wilson and to report to the Assembly for a final decision. The present report provides additional clarification in relation to the questions raised by the Advisory Committee in its report, as well as to concerns raised by the Assembly during its consideration of the matter at the fifty-second regular session.

II. The offer and the need for space

The agreement

3. It will be recalled that, on 21 July 1997, the Swiss Federal Council provided official notification of its offer of the Palais Wilson by a letter addressed to the Director-General of the United Nations Office at Geneva. However, as indicated in the previous report of the Secretary-General (A/C.5/52/19, para. 3), various issues as they related to the modalities of utilization of the building remained under discussion with the Swiss authorities.

4. Further discussions with the Swiss authorities were held following issuance of the previous report of the Secretary-General, and an agreement tailored to the specific use of the Palais Wilson by the United Nations has been completed. However, the agreement remains unexecuted pending a decision by the General Assembly on the offer. The agreement reflects the various comments and observations made by the United Nations and is valid initially until 31 December 2000. It would be renewable for a first period of five years and thereafter on a yearly basis, unless revoked by either party with six months notice.

5. It will be recalled that the offer of the building would be rent-free initially for the period from 1998 to 2000, and the Swiss authorities have indicated that the Government of Switzerland will, in due time, recommend to Parliament the continuation of this rent-free arrangement after the year 2000. The contribution of the Swiss authorities also includes approximately $54 million of expenditures relating to the following:

(a) An initial outlay of approximately $50 million (SwF 71 million) for the renovation and refurbishing of the Palais Wilson;

(b) Absorption of a number of one-time structural costs amounting to $2.9 million (SwF 4 million);

(c) Maintenance costs for the biennium 1998-1999 amounting to $856,000 (SwF 1.2 million).

Need for additional accommodation at Geneva

6. As the General Assembly should be aware, the first phase of the demolition of two wings of the Petit Saconnex annex has just commenced. The space released, together with the remaining structure (slated for demolition in the near future) still accommodating United Nations personnel, will be used to build additional classrooms for a neighbouring school. This has been in the planning process for a number of years, and the United Nations had been informed that it will eventually need to vacate totally the Petit Saconnex annex, premises which had originally been conceived of as temporary structures. Annex I provides a list of the current occupants of the Petit Saconnex annex and the proposed place of relocation for those under the responsibility of the United Nations.

7. Consequently, office accommodation would be necessary for the relocation of offices from the Petit Saconnex annex. The offer of the Palais Wilson would therefore assist in addressing this issue by increasing the space available to the United Nations to meet its overall accommodation requirements, as well as enabling the rationalization and consolidation of existing operations within the Palais des Nations from space vacated by the Office of the United Nations High Commissioner for Human Rights. Annex II provides a breakdown of the intended occupants of the space released at the Palais des Nations (amounting to approximately 3,000 square metres) by the proposed move of the Office of the High Commissioner.

8. In view of the overall limits on available space, without the offer of the Palais Wilson by the Swiss authorities, some 4,000 square metres of office space would have to be rented by the United Nations to accommodate the entities currently in the Petit Saconnex annex. Current rates for office space range from SwF 350 to SwF 650 per square metre per year. Annex III provides a comparison of the

annual cost to the United Nations of the rental of 4,000 square metres of commercial office space in Geneva and the amount payable to the Swiss authorities in the context of their offer of the Palais Wilson.

Use of office space at the Palais Wilson

9. In addressing concerns regarding the use of the Palais Wilson, a further analysis was conducted of the office space needs of the Office of the High Commissioner in relation to the overall office space to be made available. Based on current staffing of the Office of the High Commissioner, of the available office space of 176 offices, the Centre for Human Rights, including security, technical and other common services, would require 166 offices, thereby enabling the Division of the International Decade for Natural Disaster Reduction to be accommodated in the residual space available at the Palais Wilson. Annex IV provides the proposed breakdown of the use of the total space (both office space and other) at the Palais Wilson.

10. As concerns the conference rooms, as indicated in the report of the Secretary-General (A/C.5/52/19), one conference room with a seating capacity of 100 to 120 delegates currently exists. Of the proposed two additional conference rooms, the smaller conference room, which would seat 60-80 delegates, would not involve construction or structural changes to the current space. It would, however, require equipping the conference room with appropriate furniture and remote interpretation features. The larger conference room would require some structural changes and construction, as it would replace nine existing offices situated on the first floor of the building.

11. Upon review of the programme of meetings of the Office of the High Commissioner, the second large conference room at Palais Wilson was considered necessary. The programme of meetings, with the exception of the plenary session of the Commission on Human Rights (six weeks a year), the Subcommission on Prevention of Discrimination and Protection of Minorities (four weeks a year) and the Working Group on Indigenous Populations (two weeks twice a year), consists of multiple sessions of mid-size participation (90 to 150 delegates), including meetings of treaty bodies, various working groups of the Commission on Human Rights and other meetings, such as boards of trustees. Consultations are held regularly during and in parallel with these mandated meetings.

12. The calendar of mandated meetings requires conference services for approximately 85 weeks. Under such circumstances, the Office of the High Commissioner would require two conference rooms capable of accommodating in excess of 120 participants during most of the year. The mandated meetings themselves would require two conference rooms to be used in parallel for at least 30 weeks during the year. Additionally, during approximately eight weeks, these meetings would require a third room to be used concurrently.

13. It should be noted that regular meetings are also held by the Office of the High Commissioner with Member States for other purposes. For example, meetings are held monthly to brief Governments on field office operations, and the High Commissioner briefs delegations every two to three months. In view of the nature of the meetings, they would be required to take place at Palais Wilson, where the necessary staff, material and supporting documentation are readily available. In this connection, the three conference rooms would be necessary: two accommodating 120 participants and above, and a third room of a smaller capacity.

Revised cost estimates

14. As indicated in paragraph 13 of the report of the Secretary-General (A/C.5/52/19), the recurrent operating costs estimated for the biennium 1998-1999 were based on occupation of the building as of 1 May 1998, that is, for 20 months of the biennium 1998-1999. However, based on the current schedule, should the General Assembly approve the offer by the Swiss authorities, Palais Wilson would be occupied by 1 July 1998, that is, for 18 months of the biennium 1998-1999. Accordingly, the revised total cost estimates of the move to Palais Wilson would amount to $5,034,600, of which the contribution from the Government of Switzerland accounts for $3,846,000 and the residual of $1,188,600 would be absorbed from existing resources of the Organization. Thereby no additional resources would be required for the biennium 1998-1999.

III. Conclusion

15. The offer by the Swiss authorities involves accommodation at the Palais Wilson on a rent-free basis for the initial period from 1998 to 2000, and the Swiss authorities have indicated that the Government of Switzerland will in due time recommend to Parliament the continuation of this rent-free arrangement after the year 2000. The contribution of the Swiss authorities would, however, also include $54 million of expenditures relating to one-time renovation and refurbishment of the premises and maintenance costs for the 1998-1999 biennium.

16. As indicated in paragraph 23 of the report of the Secretary-General (A/C.5/52/19), the balance of the costs of the proposed move to Palais Wilson (amounting to $1,188,600) not covered by the Swiss contribution would be from existing or projected resources of the Organization. Therefore, no additional resources would be required for the biennium 1998-1999.

17. Bearing in mind the foregoing and the accommodation needs of the Organization, particularly with the closure of the Petit Saconnex annex, the Secretary-General remains of the view that the Organization is unlikely to locate comparable space in close proximity to the Palais des Nations at the cost estimated for the move to Palais Wilson. Consequently, the General Assembly may wish to approve the Secretary-General's proposal to accept the offer of the Swiss authorities of the Palais Wilson building.

Annex I

Current occupants of the Petit Saconnex annex and proposed place of relocation

Services	*Square metres*	*Relocation to*
United Nations Research Institute for Social Development	960.3	Palais des Nations
United Nations Institute for Training and Research	565.2	Geneva Executive Centre
United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan	1 115.5	Palais des Nations[a]
Federation of International Civil Servants' Association	147.6	[b]
International Computing Centre	16.4	[b]
Council of Non-Governmental Organizations in Consultative Status with the Economic and Social Council	62.7	[b]
International Decade for Natural Disaster Reduction	393.6	Palais des Nations
United Nations Conference on Trade and Development	583.1	Palais des Nations
Department of Economic and Social Affairs	344.4	Palais des Nations
Statistical Division	131.2	Palais des Nations
World Federation of United Nations Associations	196.8	[b]
Information Systems Coordination Committee	196.8	Palais des Nations
Electronic Services Section	98.4	Palais des Nations
General Services	95.8	Palais des Nations
Total	4 907.8	
Total space needed for entities to be relocated by the United Nations (excluding UNITAR)	3 920.0	

[a] Except space needed (to be determined) as the result of the restructuring of the Office for the Coordination of Humanitarian Assistance to Afghanistan.

[b] These entities were informed of the unavailability of office space at the Palais des Nations and were invited to look on their own for alternative relocation outside the Palais des Nations.

Annex II

Proposed use of space released at the Palais des Nations by the Office of the United Nations High Commissioner for Human Rights

Location/floor	*Square metres*	*To be occupied by*
Building D — ground floor/basement	324.3	Office for the Coordination of Humanitarian Assistance to Afghanistan[a]
Building D — 1st	344.5	Office for the Coordination of Humanitarian Assistance to Afghanistan[a]
Building D — 2nd	344.5	Office for the Coordination of Humanitarian Assistance to Afghanistan[a]
Building D — 3rd	331.7	Office for the Coordination of Humanitarian Assistance to Afghanistan[a]
Building D — 4th	344.5	Joint Inspection Unit[b]
Building D — 5th	344.5	Joint Inspection Unit[b]
Building A — 5th	451.3	United Nations Institute for Disarmament Research
Building A — 8th	409.8	Conference Services
Building C — 5th	133.6[c]	World Bank
Total space released by the Office of the High Commissioner	3 028.7	

[a] The Office for the Coordination of Humanitarian Assistance to Afghanistan will occupy part of the space vacated by the Office of the High Commissioner while the United Nations Research Institute for Social Development will move into the space currently occupied by the Office for the Coordination of Humanitarian Assistance to Afghanistan at the Palais des Nations.

[b] Move from Geneva Executive Centre.

[c] Space earmarked for the World Bank, which requested office space at the Palais des Nations for coordination purposes with the United Nations Office at Geneva.

Annex III

Comparison of the annual cost of rental of commercial premises and the offer by the Swiss authorities

Year	*Rented office space (some 4,000 square metres)*	*Amount payable in the context of the offer by the Swiss authorities*
1998		
Rental costs	From SwF 1.4 million to SwF 2.6 million (or $1.0 million to $1.8 million)	None payable
Maintenance costs		None payable
1999		
Rental costs	From SwF 1.4 million to SwF 2.6 million (or $1.0 million to $1.8 million)[a]	None payable
Maintenance costs		None payable
Each year from 2000 and beyond		
Rental costs	From SwF 1.4 million to SwF 2.6 million (or $1.0 million to $1.8 million)	None payable
Maintenance costs		SwF 810,000 (or $570,000) per annum[b]

[a] Market rents in Geneva in the vicinity of the United Nations, or more generally in what is considered the "centre ville", range from SwF 350 to SwF 650 (or $246 to $458) per square metre, which includes, in most cases, the normal maintenance costs. The rates for 1998 forward are based on the assumption that rates will not increase. For comparative purposes, the United Nations Compensation Commission currently rents office space at SwF 450 per square metre per year.

[b] Fee payable to the Fondation des immeubles pour les organisations internationales of SwF 78 per square metre per annum (or $55 per square metre per annum) for 10,393 square metres.

Annex IV

Proposed use of space at Palais Wilson

(Approximate figures only)

Description		*Square metres*
Gross space available		10 393
Less space for corridors, cafeteria, basement, toilet and mechanical installations, etc.		(5 643)
Less space for three conference rooms		(550)[a]
Net office space available, of which:		4 200
(a) To be occupied by Human Rights	3 925	
(b) To be occupied by IDNDR	275	

[a] Three conference rooms:
— Two main conference rooms (one on the ground floor and one on the first floor),
— One small conference room on the first floor with remote interpretation.